



**A COMPARATIVE STUDY ON FINANCIAL  
PERFORMANCE OF CONVENTIONAL AND ISLAMIC  
BANK:**

**THE CASE OF CITIBANK BERHAD AND BANK  
MUAMALAT MALAYSIA BERHAD**

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**BACHELOR OF BUSINESS ADMINISTRATION  
(HONS) FINANCE**

**FACULTY OF BUSINESS ADMINISTRATION  
MARA UNIVERSITY OF TECHNOLOGY (UiTM)**

**MALACCA CITY CAMPUS**

**APRIL 2010**

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**BACHELOR OF BUSINESS ADMINISTRATION  
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FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITY MARA OF TECHNOLOGY (UITM)  
MALACCA CITY CAMPUS**

**“DECLARATION OF ORIGINAL WORK”**

**I, Izianiza Binti Mohd Azmi, (I/C Number: 860525-33-5162)**

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# LETTER OF TRANSMITTAL

30<sup>th</sup> April 2010

The Head of Program  
Bachelor of Business Administration (Hons) Finance  
Faculty of Business Management  
Universiti Teknologi MARA  
Melaka City Campus

Dear Madam,

## **SUBMISSION OF PROJECT PAPER**

Attached is the project paper titled **“A COMPARATIVE STUDY ON FINANCIAL PERFORMANCE OF CONVENTIONAL AND ISLAMIC BANK: THE CASE OF CITIBANK BERHAD AND BANK MUAMALAT MALAYSIA BERHAD”** to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi Mara.

Thank You.

Yours sincerely,

IZIANIZA BINTI MOHD AZMI  
2007137433  
Bachelor of Business Administration (Hons) Finance

# **A COMPARATIVE STUDY ON FINANCIAL PERFORMANCE OF CONVENTIONAL AND ISLAMIC BANK: THE CASE OF CITIBANK BERHAD AND BANK MUAMALAT MALAYSIA BERHAD**

## **Abstract**

This case study was conducted to evaluate the financial performance of both banks, Citibank Berhad and Bank Muamalat Malaysia Berhad which come from a different banking sector. For completion of this report, secondary data and other approaches such as common sizing, financial ratios and gap analysis has been use as a data collection. The data is taken from external sources such as journal, internet, and newspaper. The study examines five type of ratios include (1) commonsize, (2) liquidity, (3) capital structure and solvency, (4) Return on Investment

Result from the financial analysis done provide that Citibank Berhad which is a conventional bank got a strong financial and earned higher profit rather than the Islamic Bank, Bank Muamalat Malaysia Berhad. Separate comparisons of the conventional and Islamic bank for both bank on this case study also showed significant performance different in every ratio category.